



House of Representatives

File No. 647

General Assembly

February Session, 2006

(Reprint of File No. 223)

Substitute House Bill No. 5797
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 28, 2006

AN ACT CONCERNING DIGITAL MEDIA AND MOTION PICTURE DEVELOPMENT IN THE STATE.

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 10-392 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2006*):

3 (a) The General Assembly finds and declares that culture, history,
4 the arts and the [film] digital media and motion picture and tourism
5 industries contribute significant value to the vitality, quality of life and
6 economic health of Connecticut and therefore there is established the
7 Connecticut Commission on Culture and Tourism. The Connecticut
8 Humanities Council and the Connecticut Trust for Historic
9 Preservation shall operate in conjunction with the commission for
10 purposes of joint strategic planning, annual reporting on
11 appropriations and fiscal reporting. The purpose of the commission
12 shall be to enhance and promote culture, history, the arts and the
13 tourism and [film] digital media and motion picture industries in
14 Connecticut.

15 (b) The commission shall:

16 (1) Market and promote Connecticut as a destination for leisure and
17 business travelers through the development and implementation of a
18 strategic state-wide marketing plan and provision of visitor services to
19 enhance the economic impact of the tourism industry;

20 (2) Promote the arts;

21 (3) Recognize, protect, preserve and promote historic resources;

22 (4) Interpret and present Connecticut's history and culture;

23 (5) Promote Connecticut as a location in which to [conduct filming]
24 produce digital media and motion pictures and to establish and
25 conduct business related to the [film and video] digital media and
26 motion picture industries to enhance these industries' economic impact
27 in the state;

28 (6) Beginning with the fiscal year ending June 30, 2006, and each
29 fiscal year thereafter, prepare and submit to the Office of Policy and
30 Management, in accordance with sections 4-77 and 4-77a, budget
31 expenditure estimates and recommended adjustments for the next
32 succeeding fiscal year or years and a detailed accounting of
33 expenditures for the prior fiscal year, a copy of which shall be
34 submitted to the General Assembly, in accordance with the provisions
35 of section 11-4a;

36 (7) Establish a uniform financial reporting system and forms to be
37 used by each regional tourism district, established under section 10-
38 397, in the preparation of the annual budget submitted to the General
39 Assembly;

40 (8) Integrate funding and programs whenever possible; and

41 (9) On or before January 1, 2005, and biennially thereafter, develop
42 and submit to the Governor and the General Assembly, in accordance
43 with section 11-4a, a strategic plan to implement subdivisions (1) to (5),

44 inclusive, of this subsection.

45 (c) Any proposals for projects under the jurisdiction of the
46 commission and projects proposed by the Connecticut Humanities
47 Council that require funding through the issuance of bonds by the
48 State Bond Commission, in accordance with sections 13b-74 to 13b-77,
49 inclusive, as amended, shall be submitted to the Connecticut
50 Commission on Culture and Tourism. The commission shall review
51 such proposals and submit any project that it believes has merit to the
52 joint standing committee of the General Assembly having cognizance
53 of matters relating to finance, revenue and bonding with the
54 commission's recommendation for funding.

55 (d) The Connecticut Commission on Culture and Tourism shall be a
56 successor agency to the State Commission on the Arts, the Connecticut
57 Historical Commission, the Office of Tourism, the Connecticut
58 Tourism Council, the Connecticut Film, Video and Media Commission
59 and the Connecticut Film, Video and Media Office in accordance with
60 the provisions of sections 4-38d and 4-39.

61 (e) Wherever the words "State Commission on the Arts",
62 "Connecticut Historical Commission", "Office of Tourism",
63 "Connecticut Film, Video and Media Office" and "Connecticut
64 Commission on Arts, Tourism, Culture, History and Film" are used in
65 the following sections of the general statutes, or in any public or
66 special act of the 2003 or 2004 session the words "Connecticut
67 Commission on Culture and Tourism" shall be substituted in lieu
68 thereof: 3-110f, 3-110h, 3-110i, 4-9a, as amended, 4b-53, as amended,
69 4b-60, 4b-64, 4b-66a, 7-147a, 7-147b, 7-147c, 7-147j, 7-147p, 7-147q, 7-
70 147y, 8-2j, 10-382, 10-384, 10-385, 10-386, 10-387, 10-388, 10-389, 10-391,
71 10a-111a, 10a-112, 10a-112b, 10a-112g, 11-6a, 12-376d, 13a-252, 19a-
72 315b, 19a-315c, as amended, 22a-1d, 22a-19b, 25-102qq, 25-109q, 29-259
73 and 32-6a.

74 (f) The Legislative Commissioners' Office shall, in codifying the
75 provisions of this section, make such technical, grammatical and

76 punctuation changes as are necessary to carry out the purposes of this
77 section.

78 Sec. 2. Section 10-393 of the general statutes is repealed and the
79 following is substituted in lieu thereof (*Effective October 1, 2006*):

80 (a) The Connecticut Commission on Culture and Tourism shall
81 consist of [twenty-nine] thirty-five voting commissioners and
82 nonvoting ex-officio members. Such ex-officio members shall be the
83 executive directors of the Connecticut Trust for Historic Preservation
84 and the Connecticut Humanities Council, the State Poet Laureate, the
85 State Historian and the State Archaeologist. The State Poet Laureate,
86 the State Historian and the State Archaeologist shall serve as
87 commissioners without being appointed and without receiving
88 compensation for such service. The remaining [twenty-four] thirty
89 commissioners shall be appointed as follows:

90 (1) The Governor shall appoint eight commissioners: (A) One
91 commissioner shall be an individual with knowledge of or experience
92 or interest in tourism from within the state; (B) three commissioners
93 shall be individuals with knowledge of or experience or interest in
94 history or humanities; (C) one commissioner shall be an individual
95 with knowledge of or experience or interest in the arts; (D) one
96 commissioner shall be an individual [with knowledge of or experience
97 or interest in film] with experience relating directly to the production
98 of digital media or motion pictures; and (E) two commissioners shall
99 be selected at large.

100 (2) The speaker of the House of Representatives shall appoint [three]
101 four commissioners: (A) One commissioner shall be an individual with
102 knowledge of or experience or interest in tourism from the
103 southwestern tourism district, established under section 10-397; (B)
104 one commissioner shall be an individual with knowledge of or
105 experience or interest in history or humanities; [and] (C) one
106 commissioner shall be an individual with knowledge of or experience
107 or interest in the arts; and (D) one commissioner shall be an individual

108 with experience relating directly to the production of digital media or
109 motion pictures.

110 (3) The president pro tempore of the Senate shall appoint [three]
111 four commissioners: (A) One commissioner shall be an individual with
112 knowledge of or experience or interest in tourism from the central
113 tourism district, established under section 10-397; (B) one
114 commissioner shall be an individual with knowledge of or experience
115 or interest in history or humanities; [and] (C) one commissioner shall
116 be an individual with knowledge of or experience or interest in the
117 arts; and (D) one commissioner shall be an individual with experience
118 relating directly to the production of digital media or motion pictures.

119 (4) The majority leader of the House of Representatives shall
120 appoint [two] three commissioners: (A) One commissioner shall be an
121 individual with knowledge of or experience or interest in tourism from
122 the south central tourism district, established under section 10-397;
123 [and] (B) one commissioner shall be an individual with knowledge of
124 or experience or interest in the arts; and (C) one commissioner shall be
125 an individual with experience relating directly to the production of
126 digital media or motion pictures.

127 (5) The majority leader of the Senate shall appoint [two] three
128 commissioners: (A) One commissioner shall be an individual with
129 knowledge of or experience or interest in tourism from the eastern
130 tourism district; [and] (B) one commissioner shall be an individual
131 with knowledge of or experience or interest in the arts; and (C) one
132 commissioner shall be an individual with experience relating directly
133 to the production of digital media or motion pictures.

134 (6) The minority leader of the House of Representatives shall
135 appoint [three] four commissioners: (A) One commissioner shall be an
136 individual with knowledge of or experience or interest in tourism from
137 within the state; (B) one commissioner shall be an individual with
138 knowledge of or experience or interest in history or humanities; [and]
139 (C) one commissioner shall be an individual with knowledge of or

140 experience or interest in the arts; and (D) one commissioner shall be an
141 individual with experience relating directly to the production of digital
142 media or motion pictures.

143 (7) The minority leader of the Senate shall appoint [three] four
144 commissioners: (A) One commissioner shall be an individual with
145 knowledge of or experience or interest in tourism from the
146 northwestern tourism district, established under section 10-397; (B) one
147 commissioner shall be an individual with knowledge of or experience
148 or interest in history or humanities; [and] (C) one commissioner shall
149 be an individual with knowledge of or experience or interest in the
150 arts; and (D) one commissioner shall be an individual with experience
151 relating directly to the production of digital media or motion pictures.

152 (b) Each commissioner shall serve a term that is coterminous with
153 such commissioner's appointing authority. No member of a board of
154 directors of a regional tourism district may serve as a commissioner of
155 the Connecticut Commission on Culture and Tourism.

156 (c) The commission shall have an executive director, appointed by
157 the Governor in accordance with the provisions of chapter 46, who
158 shall administer the commission in accordance with subsection (e) of
159 this section. The voting commissioners shall elect annually: A
160 commissioner from among the voting commissioners to serve as
161 chairperson of the commission, one commissioner as vice-chairperson,
162 and other commissioners as officers. Such commissioners shall
163 establish bylaws as necessary for the operation of the commission.
164 Commissioners shall receive no compensation for the performance of
165 their duties, but may be reimbursed for their necessary expenses
166 incurred in the performance of their duties. The commission shall meet
167 at least once during each calendar quarter and at such other times as
168 the chairperson deems necessary or upon the request of a majority of
169 commissioners in office.

170 (d) Thirteen voting commissioners of the board shall constitute a
171 quorum and the affirmative vote of a majority of the voting

172 commissioners present at a meeting of the commission shall be
173 sufficient for any action taken by the commission. No vacancy of a
174 commissioner shall impair the right of a quorum to exercise all the
175 rights and perform all the duties of the commission. Any action taken
176 by the commission may be authorized by resolution at any regular or
177 special meeting and shall take effect immediately unless otherwise
178 provided in the resolution.

179 (e) The executive director of the commission shall administer the
180 commission, subject to the supervision of the commissioners. The
181 executive director shall have the authority to administer all laws under
182 the jurisdiction of the commission and the power and authority to:
183 Coordinate, and direct the operation of the commission; establish rules
184 for the internal operation of the commission; contract for facilities,
185 services and programs to implement the purposes of the commission
186 established by law, and enter into agreements for funding from private
187 sources, including corporate donations and other commercial
188 sponsorships. The executive director is authorized to do all things
189 necessary to apply for, qualify for and accept any funds made
190 available under any federal act for the purposes established under
191 section 10-392, as amended by this act. All funds received under this
192 subsection shall be deposited into the Connecticut Commission on
193 Culture and Tourism account, established under section 10-395. The
194 executive director may enter into contracts with the federal
195 government concerning the use of such funds.

196 Sec. 3. Section 10-417 of the general statutes is repealed and the
197 following is substituted in lieu thereof (*Effective October 1, 2006*):

198 (a) With respect to [film] digital media and motion picture activities,
199 the Connecticut Commission on Culture and Tourism, established
200 under section 10-392, as amended by this act, shall have the following
201 powers and duties:

202 (1) To promote the use of Connecticut locations, structures, facilities
203 and services for the production [of films, videos, television programs,

204 audio recordings and other media-related products] and
205 postproduction of all digital media and motion pictures and other
206 media-related products;

207 (2) To provide support services to visiting and in-state production
208 companies, including assistance to [film, video and other media]
209 digital media and motion picture producers in securing [location]
210 permits from state agencies, authorities or institutions or
211 municipalities or other political subdivisions of the state;

212 (3) To develop and update a resource library concerning the many
213 possible state sites which are suitable for [filming and taping]
214 production;

215 (4) To develop and update a production manual of available [film,
216 video and media] digital media and motion picture production
217 facilities and services in the state;

218 (5) To conduct and attend trade shows and production workshops
219 to promote Connecticut locations and facilities;

220 (6) To prepare an explanatory guide showing the impact of relevant
221 state and municipal tax statutes, regulations and administrative
222 opinions on typical production activities and to implement the tax
223 credits provided for in section 20 of senate bill 702 of the current
224 session, as amended;

225 (7) To formulate and propose guidelines for [standardized permits
226 to be used by] state agencies [which shall be as close to] for a "one stop
227 permitting" process, [as possible,] for matters including, but not
228 limited to, the use of state roads and highways, the use of state-owned
229 real or personal property for production activities and the conduct of
230 regulated activities, and to hold workshops to assist state agencies in
231 implementing such process;

232 (8) To formulate and recommend to municipalities model local
233 ordinances and forms to assist production activities, including, but not

234 limited to, "one stop permitting" of [film, video and other] digital
235 media and motion picture and other production activity to be
236 conducted in a municipality, and to hold workshops to assist
237 municipalities in implementing such ordinances;

238 (9) To accept any funds, gifts, donations, bequests or grants of funds
239 from private and public sources for the purposes of this section;

240 (10) To request and obtain from any state agency, authority or
241 institution or any municipality or other political subdivision of the
242 state such assistance and data as will enable the commission to carry
243 out the purposes of this section;

244 (11) To assist and promote cooperation among all segments of
245 management and labor that are engaged in [film, video or other media
246 production] digital media and motion pictures;

247 (12) To [develop criteria for use by the Department of Economic and
248 Community Development, the Connecticut Development Authority,
249 Connecticut Innovations, Incorporated, and other state agencies and
250 authorities in awarding financial assistance for the production of films,
251 videos and other media projects in the state. The criteria shall (A)
252 provide for a secured position for the state, and (B) give preference to
253 projects having significant advance sales or other commitments; and

254 (13) To] take any other administrative action which may improve
255 the position of the state's [film, video and media] digital media and
256 motion picture production industries in national and international
257 markets.

258 (b) On or before January 15, 2008, and biennially thereafter, the
259 commission shall submit to the General Assembly, in accordance with
260 section 11-4a, a report on the activities of the commission under this
261 section and the estimated direct and indirect economic impact of all
262 digital media, motion pictures and related production activity in the
263 state, during the preceding calendar years. Each such report shall also
264 include an analysis of the impact on the state of each qualified

265 production, as defined in section 20 of senate bill 702 of the current
 266 session, as amended.

267 Sec. 4. Section 5-198 of the 2006 supplement to the general statutes is
 268 amended by adding subsection (dd) as follows (*Effective October 1,*
 269 *2006*):

270 (NEW) (dd) The director for digital media and motion picture
 271 activities in the Connecticut Commission on Culture and Tourism.

272 Sec. 5. (NEW) (*Effective October 1, 2006*) Notwithstanding any
 273 provision of the general statutes, each state agency, department or
 274 institution issuing a request for proposals for any digital media,
 275 motion picture or related production activity shall, at the time of such
 276 issuance, transmit a copy of such request for proposals to the
 277 Connecticut Commission on Culture and Tourism. Said commission
 278 shall notify the executive head of each state agency of the requirements
 279 of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	10-392
Sec. 2	<i>October 1, 2006</i>	10-393
Sec. 3	<i>October 1, 2006</i>	10-417
Sec. 4	<i>October 1, 2006</i>	5-198
Sec. 5	<i>October 1, 2006</i>	New section

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$
Connecticut Commission on Culture and Tourism	GF - See Below	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Connecticut Commission of Culture and Tourism (CCCT) to implement the film and digital media tax credits established in SB 702 of the current session, broadens the responsibilities of the CCCT and requires the Commission to report every 2 years to the General Assembly on its digital media and movie production activities, and the direct and indirect economic impact of the productions. Additional funds in the amount of \$250,000 are included in sHB 5007, the Appropriations Act, as favorably reported by the Appropriations Committee to fund these provisions.

The bill adds 6 members who must have experience in digital media or media production to the Commission on Culture and Tourism which has a minimal fiscal impact, and makes technical and conforming changes which have no fiscal impact.

House 'A' strikes the underlying bill and eliminated the fiscal impact associated with the tax credits, the creation of an Office of Digital Media and Motion Pictures and a new Commission.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 5797 (as amended by House “A”)******AN ACT CONCERNING DIGITAL MEDIA AND MOTION PICTURE DEVELOPMENT IN THE STATE.*****SUMMARY:**

The bill requires the Connecticut Commission on Culture and Tourism (CCCT) to implement new state film and digital media tax credits; broadens CCCT’s charge to include promoting movie and digital media production and post-production in the state, rather than just film locations; and expands the commission’s existing film responsibilities to all types of digital media. It requires CCCT to report to the General Assembly every two years on its digital media and movie production promotion activities, the economic impact of all productions, and the impact of each state-assisted production.

The bill adds six new CCCT members, all of whom must have digital media or movie production experience. The six new members are appointed by legislative leaders. It also requires one of the governor’s appointees, who is currently required to know about, have experience in, or be interested in film, to instead have direct experience in digital media or movie production.

Finally, the bill exempts the CCCT’s director of digital media and motion picture activities from the state classified service and requires state agencies and institutions that contract for media productions to send copies of their requests for proposals to CCCT.

*House Amendment “A” replaces the underlying bill with the provisions described above. The original bill established corporation tax credits for producing movies and digital media in Connecticut,

created a Connecticut Office of Digital Media and Motion Pictures and a separate nonlapsing fund to pay for it, and established a 13-member Connecticut Digital Media and Motion Picture Commission within the CCCT.

EFFECTIVE DATE: October 1, 2006

§§ 1 & 3 — CONNECTICUT COMMISSION ON CULTURE AND TOURISM ADDITIONAL DUTIES

The bill requires CCCT to implement the state film and digital media production and wage credits recently adopted in SB 702. It eliminates its current responsibility to develop criteria for the Department of Economic and Community Development, the Connecticut Development Authority, Connecticut Innovations, Inc., and other state agencies to use in awarding financial assistance for producing films and other media products in the state.

The bill requires CCCT, by January 15, 2008 and every two years thereafter, to report to the General Assembly on its movie and digital media promotion activities and the estimated direct and indirect economic impact of all production activities in the state. The report must also analyze the state impact of each “qualified production,” which is a production that qualifies for tax credits under SB 702.

The bill broadens CCCT’s charge to include promoting Connecticut as a place for producing movies and digital media instead of just for filming movies. It expands the CCCT’s film-related responsibilities to cover digital media and motion pictures and requires it to:

1. promote use of Connecticut structures as well as locations, facilities, and services for post-production, as well as production, of media products;
2. help digital media and movie producers to secure state and local permits for all their activities, not just for location activities;

3. expand its resource library of sites appropriate for filming and taping to cover sites for all types of media production;
4. expand its production manual of available film, video, and media production facilities and services in Connecticut to include digital media;
5. formulate and propose guidelines for state agencies for a one-stop permitting process for using state facilities for production activities, instead of for standardized state agency permits that are as close as possible to a one-stop process;
6. recommend model municipal forms as well as ordinances to assist media production activities; and
7. add an explanation of the new production and wage tax credits for movie and digital media production to its explanatory guide for producers.

§ 2 — ADDITIONAL CCCT MEMBERS

The bill adds six commissioners to the CCCT, increasing its total membership from 29 to 35. The six new members must be appointed by the legislative leaders and all must have experience in digital media or movie production. The bill increases the number of the House speaker's, Senate president pro tempore's, and House and Senate minority leaders' appointments from three to four each and the House and Senate majority leaders' appointments from two to three each. It also requires one of the governor's eight appointees to have direct experience in movie or digital media production, instead of knowledge of, or experience or an interest in, films.

§ 4 — DIRECTOR FOR DIGITAL MEDIA AND MOTION PICTURE ACTIVITIES

The bill exempts the CCCT's director for digital media and motion picture activities from the state classified service. (Neither the bill nor the current law requires CCCT to hire or appoint such a person nor do

they establish a process for doing so.)

§ 5 — STATE AGENCY PRODUCTIONS

The bill requires any state agency or institution that issues a request for proposals for film, media, or related production activity to send a copy to the CCCT. The CCCT must notify state agency executive heads of the requirement.

Commerce Committee

Joint Favorable Substitute

Yea 29 Nay 0 (03/14/2006)

Appropriations Committee

Joint Favorable

Yea 37 Nay 5 (04/10/2006)

Government Administration and Elections Committee

Joint Favorable

Yea 16 Nay 1 (04/18/2006)

Joint Committee on Legislative Management

Joint Favorable

Yea 25 Nay 0 (04/25/2006)